

FAFSA4caster Q&A

FAFSA4caster

1. What is the FAFSA4caster?

The FAFSA4caster is a tool to help students and families financially prepare and plan for college **before** the student's senior year in high school. This tool provides students with an early estimate of their eligibility for federal student aid. Students and families can then use this information to help them make important decisions as they prepare and apply for college in their senior year in high school.

2. Why did Department create the FAFSA4caster?

The Department wanted to provide students and families the information they need to help them make informed decisions as they prepare, apply and determine how they are going to pay for college. Traditionally, high school seniors must wait until the spring of their senior year to determine their eligibility for federal financial aid. We realize that a family's eligibility for aid is an important factor that can influence students' and families' decisions about college. As a result, the Department created the FAFSA4caster to help inform the college financial planning process before college applications are due.

3. What are the benefits of the FAFSA4caster?

The FAFSA4caster provides many benefits. Specifically, the FAFSA4caster provides students and families with an early estimate of their federal financial aid eligibility **before** their senior year in high school. This includes their eligibility for federal aid, their estimated Expected Family Contribution (EFC), and their eligibility for the Federal Pell Grant Program (a grant up to \$4,310 that does not have to be repaid). The EFC is a measure of a family's financial strength and indicates how much of a family's financial resources should be available to help pay for their education.

FAFSA4caster also reduces the application time when students are ready to file their FAFSAs in their senior year in high school. Remember, the FAFSA (Free Application for Federal Student Aid) is the qualifying form for all federal aid as well as for some state, institutional, and private aid. The FAFSA4caster pre-populates 51 of the 102 questions on the FAFSA, significantly reducing the time it takes for the student to complete the FAFSA in their senior year in high school.

In September 2007, the Department will release the next version of the FAFSA4caster, which will estimate a student's entire aid package, including eligibility for student loans (or money that must be repaid).

4. Who should use the FAFSA4caster?

The FAFSA4caster is a valuable tool for any students considering their financial options in paying for a postsecondary education. In particular, high school juniors and their families can greatly benefit from using this tool to inform their decisions as they prepare for the college application process.

5. How accurate is the FAFSA4caster?

The FAFSA4caster provides an estimate of eligibility for federal student aid, Expected Family Contribution, and eligibility for a Pell Grant. Any changes in income, household size, or other factors may affect eligibility as the student completes the FAFSA in their senior year in high school.

6. Where can students and families access the FAFSA4caster?

The FAFSA4caster can be accessed at www.FederalStudentAid.ed.gov <<http://www.FederalStudentAid.ed.gov/>>.

7. When will the FAFSA4caster be available?

The FAFSA4caster is available at <<http://www.FederalStudentAid.ed.gov/>> beginning April 1, 2007.

8. Is the FAFSA4caster available in Spanish?

Yes. The FAFSA4caster will be available in Spanish on April 29, 2007.

9. Is there a cost to use the FAFSA4caster?

The FAFSA4caster is free!

10. Do students still need to complete the FAFSA?

Yes. Students and families should still complete the FAFSA during the student's senior year. Students must still complete their FAFSA as early as possible on or after January 1 of the year they will attend college. Schools will use the information provided on the FAFSA to determine the student's financial aid award package for that school. The information entered into FAFSA4caster will pre-populate many of the questions on the FAFSA, significantly reducing the time it takes to complete the FAFSA.

Background

1. What is federal student aid?

Federal student aid, or federal student financial assistance, includes grants, low-interest loans and work-study opportunities for students and parents to pay for college. Grants are financial aid that doesn't have to be repaid. Loans allow students to borrow money for school, which must be repaid with interest. The work-study program provides part-time jobs for students demonstrating financial need. Student aid covers college expenses such as tuition and fees, room and board, books and supplies, and transportation.

2. How do students and families apply?

Students and families apply using the Free Application for Federal Student Aid (FAFSA). Applications are accepted online at www.fafsa.ed.gov or by paper submission. The FAFSA is the qualifying form for all federal student aid as well as for state, institutional, and private aid, and must be submitted each year the student is requesting aid. The institution notifies students and their families of their student aid award package, which could include federal financial aid as well as private and institutional aid.

3. When do high school seniors and their families submit their FAFSAs?

Students apply for federal student financial assistance beginning January 1st of the year that they will be attending college. College-bound students who submit the FAFSA are typically notified of their eligibility for federal student aid in the spring of their senior year in high school.